



5 UNIT APARTMENT COMPLEX
CAMELBACK NORTH APARTMENTS

640 TEMPE COURT, PLEASANT HILL, CA 94523



OFFERED AT
\$1,850,000

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NARRATIVE

The Camelback North Apartments located at 640 Tempe Court, Pleasant Hill is a clean, ideally located multi-family property that has been well maintained and has now been brought to market for the first time in decades. It represents a rare opportunity to own property in one of the Bay **Area's most desirable locations**—near Diablo Valley College, Sun Valley Mall, Downtown Pleasant Hill, BART, Interstate 680 and Highway 24—making this an uncommon investment opportunity.

Additionally, the property is within the Camelback North Owners Association, which provides amenities such as a sparkling pool, greenbelt area, laundry facility, and clubhouse. Unlike many apartment buildings that were built as inexpensively as possible, it is clear to see the higher quality of its construction and design. Low maintenance stucco exteriors, steel and concrete stairs, concrete landings, fireplaces, doorbells, solid core front doors are all rarely seen in apartment complexes of this vintage. The floor plans are well designed with a mix of easy to rent units:

- 2BR/2BA + Den of 1,168 s.f. +/-
- (2) 2BR/2BA of 1,002 s.f. +/-
- (2) 1BR / 1BA + Den of 720 s.f. +/-

Since the 1BR/1BA + Den units have closets, some owners of other properties in this neighborhood have successfully converted this floor plan to a 2BR/1BA plan. As mentioned above, the units have fireplaces, large closets, all electric kitchens, and tub/shower combinations. The complex consists of one building that sits on a legal parcel of approximately .24 Acre per the Contra Costa County Tax Assessor. It features a concrete slab foundation and a pitched, composition shingle roof. The units are separately metered for PG&E. The owner currently pays for the water and trash services, but many owners have reimbursement programs for these utilities, which is a possible strategy that might improve cash flow. There are 8 carport spaces and 4 uncovered parking spaces.

While there is one unit that has not been updated, several of the units have been updated in the past several years including painted and refaced cabinetry, coated countertops, new sinks, appliances, window and floor coverings, fixtures, doors and hardware. The units present well and the property can be owned and operated as it has been for years to come. Alternatively, as many investors in the Pleasant Hill area have noticed, the property could benefit from a significant upside in rents after making upgrades to the apartments. We believe the subject property would respond well with additional amenities such as granite counters, stainless steel appliances, and Pergo style floor coverings.



PROPERTY DETAILS

ADDRESS	640 Tempe Court, Pleasant Hill, CA 94523
LAUNDRY	In-unit laundry (two-bedroom units) as well as community facility
SIDING	Stucco with wood trim
APN	153-240-006-4
APPROXIMATE BUILDING SQ. FEET	4,612+/- s.f. (per Contra Costa County)
APPROXIMATE LAND	.24 Acre (per Contra Costa County)
YEAR BUILT	1970+/- (per Contra Costa County)
PG&E	Separately metered, paid by tenants
WATER	Master metered, currently paid by owner
TRASH	Currently paid by owner
FOUNDATION	Concrete slab
ROOF	Pitched, composition shingle
HVAC	Central heating and air conditioning (two bedroom units) Wall heating and air conditioning (one bedroom + den units)
HOA	Provides pool, beautiful recreation area, laundry facility, and clubhouse. Property owner is responsible for all other aspects of the property maintenance including roof, exterior, grounds, carports, and parking lot.

INCOME & EXPENSES

UNITS	TYPE	ESTIMATED SQUARE FEET	CURRENT RENTS	STABILIZED RENTS
1	2 BR / 2 BA + Den (W/D)	1,168	\$2,200	\$2,595
1	2 BR / 2 BA (W/D)	1,002	\$2,395	\$2,395
1	2 BR / 2 BA (W/D)	1,002	\$2,395	\$2,395
2	1 BR / 1 BA + Den	720	\$1,725—\$1,775	\$1,775
5	Total rentable square feet	4,612	\$10,490	\$10,935
INCOME				
Monthly Rent			\$10,490	\$10,935
Other Income			\$0	\$0
Total Monthly Income			\$10,490	\$10,935
ANNUALIZED TOTAL INCOME			\$125,880	\$131,220
Scheduled Gross Income			\$125,880	\$131,220
Less Vacancy Reserve (3.00%)			(\$3,776)	(\$3,937)
GROSS OPERATING INCOME			\$122,104	\$127,283
EXPENSES				
Taxes (New @ 1.1321% + \$3,121)			(\$24,065)	(\$24,065)
Insurance (Commercial Coverage Quote)			(\$1,630)	(\$1,630)
Water (2019 YTD Annualized)			(\$1,793)	(\$1,793)
PG&E (2019 YTD Annualized)			(\$209)	(\$209)
Garbage (Current)			(\$2,385)	(\$2,385)
Repairs/Maintenance (Projected at \$850/unit/year)			(\$4,250)	(\$4,250)
Capital Improvements (Projected \$350/unit/year)			(\$1,750)	(\$1,750)
Landscaping & Grounds (Current)			(\$1,545)	(\$1,545)
On Site Manager [1]			\$0	\$0
Property Management [1]			\$0	\$0
Association Dues (Current)			(\$2,280)	(\$2,280)
License			(\$497)	(\$497)
TOTAL EXPENSES			(\$40,404)	(\$40,404)
NET OPERATING INCOME			\$81,700	\$86,880
Expenses as % of Gross Income			32.10%	30.79%
Expenses per Unit			\$10,101	\$10,101
Expenses per Square Foot			\$8.76	\$8.76

[1] Current owner pays \$170/month for on-site management and 5% of collected income for off-site management.

MARKET VALUE ANALYSIS

	CURRENT RENTS	STABILIZED RENTS
SALE PRICE	\$1,850,000	\$1,850,000
Down Payment	\$985,000	53% \$985,000 53%
First Loan [1]	\$865,000	47% \$865,000 47%
NET OPERATING INCOME	\$81,700	\$86,880
Estimated Debt Service (first loan)	(\$49,556)	(\$49,556)
Cash Flow	\$32,144	\$37,324
Plus Principal Reduction	\$15,233	\$15,233
Total Pre-Tax Return	\$47,377	\$52,557
Pre-Tax Return on Investment	4.81%	5.34%
Gross Rent Multiplier	14.70	14.10
Capitalization Rate	4.42%	4.70%
Price per square foot	\$401.13	\$401.13
Price per unit	\$462,500	\$462,500

[1] Financing: 1.2 DCR, 4% rate, 30 year Amortization.



RENT SURVEY & PHOTOS

ADDRESS	SUBJECT PROPERTY Camelback North 640 Tempe Court Pleasant Hill	Country View 305 Country View Lane Pleasant Hill	Briarwood 141 Golf Club Road Pleasant Hill	Northridge 235 Camelback Road Pleasant Hill	Viking Park 2095 Norse Drive Pleasant Hill
AMENITIES	Part of Camelback North complex which includes pool, laundry facility, clubhouse and onsite management. Pitched roof, carports, all electric kitchens.	Large living room connecting with dining area, private entrance to balcony from master suite, reserved parking spaces, one covered, washer & dryer hookups in separate laundry room.	On-site laundry, carport, new upgrades, pool, walk to Sun Valley Mall, Diablo Valley College, near freeways, large closets, patio/balcony,	Washer/dryer in unit, off-street parking, 2 pools, spa & fitness center, walk to Diablo Valley College, spacious floor plan, easy access to I-680 and 3 miles from Concord BART.	On-site laundry, pool, game room, media center and movie theater, heat and a/c, ceiling fans, dishwasher, disposal, vaulted ceilings, walk-in closets, balcony or patio.
2BR/1BA	\$1,725 to \$1,775 720 square feet \$2.40 to \$2.47/s.f.		\$2,095 880 square feet \$2.38/s.f.	\$2,455 1,116 square feet \$2.20/s.f.	\$1,995 - \$2,010 865 square feet \$2.31 to \$2.32/s.f.
2BR/2BA	\$2,395 1,008 square feet \$2.38/s.f.	\$2,150 927 square feet \$2.32/s.f.			
3BR/2BA	\$2,200 1,168 square feet \$1.88/s.f.			\$3,617 1,320 square feet \$2.74/s.f.	

[1] 1BR/1BA + Den

[2] 2BR/2BA + Den



RENT SURVEY & PHOTOS



305 Country View Lane, Pleasant Hill



141 Golf Club Road, Pleasant Hill



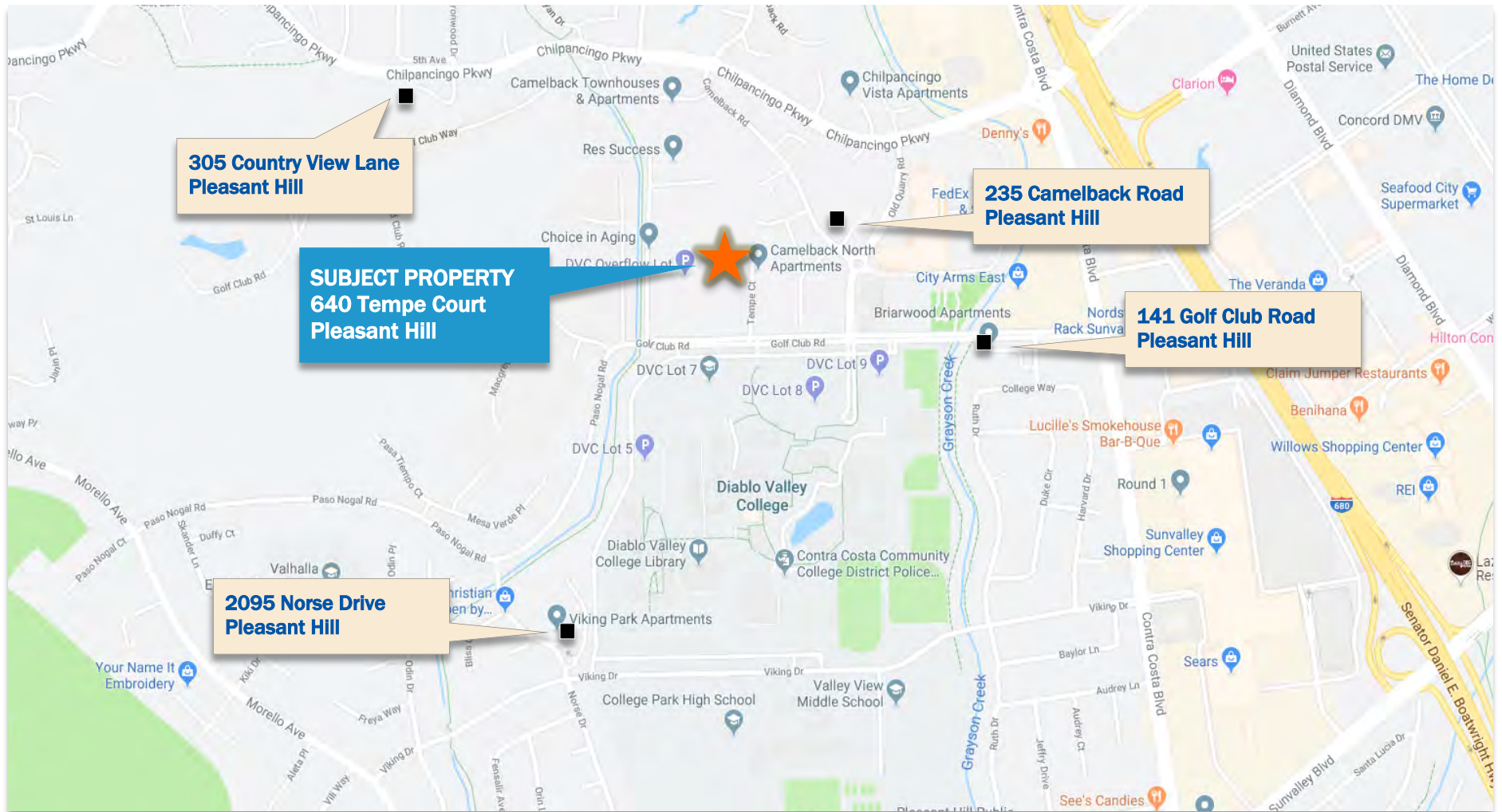
235 Camelback Road, Pleasant Hill



2095 Norse Drive, Pleasant Hill



RENT SURVEY MAP





SALES COMPARABLES

ADDRESS	UNITS	SALE PRICE	SQUARE FEET	COST/ UNIT	COST/ SQ.FT.	AVG. RENT/ SQ.FT.	GRM	CAP	UNIT MIX	BUILT	SOLD	COMMENTS
191 Village Court Walnut Creek	8	\$2,525,000	5,250	\$315,625	\$480.95	\$2.18	18.36	3.27%	(7) 1x1 2x1	1958	8/7 2019	A+ location. Clean complex with recent roof, dual pane windows, sewer line. Carports, some updated interiors. On site laundry and additional storage.
1976 Desert Circle Walnut Creek	5	\$2,040,000	4,048	\$408,000	\$503.95	\$2.98	14.11	4.53%	3x2 (4) 2x1	1972	6/21 2019	Completely renovated complex in excellent location. In unit laundry, carports, storage, fireplaces, patios/ balconies.
1972 Desert Circle Walnut Creek	5	\$2,435,000	4,048	\$487,000	\$601.53	\$2.98	16.84	3.80%	3x2 (4) 2x1	1972	2/21 2019	OFF MARKET SALE. Completely renovated complex in excellent location. In unit laundry, carports, storage, fireplaces, patios/balconies.
327 Rheem Boulevard [1] Moraga	14	\$5,625,000	11,340	\$401,786	\$496.03	\$3.02	13.67	4.39%	All 2x1	1964	10/18 2018	OFF MARKET SALE. Completely renovated complex in excellent location. In unit laundry, carports, storage, patios/balconies.
17-27 Baldwin Court Walnut Creek	8	\$2,400,000	6,859	\$300,000	\$349.91	\$2.13	13.70	4.70%	(6) 2x1 (2) 1x1	1959	8/13 2018	QUIETLY MARKETING. Larkey Park neighborhood with one fourplex and two duplexes. Carports and garages. Duplex units have inside laundry, fourplex has common laundry facility. some patios/balconies. 19 days on S.F. MLS with multiple offers.
940-942 Hough Avenue Lafayette	8	\$3,100,000	5,960	\$387,500	\$520.13	\$2.70	16.05	3.62%	All 2x1	1958	7/3 2018	Well located complex steps from downtown Lafayette. On site laundry facility, off street parking, storage, some patios/balconies, 5 offers presented.
2157 Donald Drive Moraga	10	\$3,650,000	12,634	\$365,000	\$288.90	\$1.40	17.23	2.48%	All 2x2	1964	6/21 2018	Clean complex with laundry facility. Carports, storage, patios/balconies. Separately metered for gas & electricity.
111 Del Centro Diablo	10	\$3,000,000	8,040	\$300,000	\$373.13	\$1.63	19.10	3.24%	(2) 2x1 (6) 1x1 Studio	1885	1/11 2018	QUIETLY MARKETING. Clean property on 41K s.f. lot near Diablo Country Club. Converted former Victorian home. Laundry facility. Carports, some patios/ balconies. Separately metered for gas & electricity.
AVERAGES	9	\$3,096,875	7,272	\$370,614	\$451.82	\$2.38	16.13	3.75%				

[1] income/expense unconfirmed



SALES COMPARABLES PHOTOS



191 Village Court, Walnut Creek



1976 Desert Circle, Walnut Creek



1972 Desert Circle, Walnut Creek



327 Rheem Blvd., Moraga



17-27 Baldwin Court, Walnut Creek



940-942 Hough Avenue, Lafayette

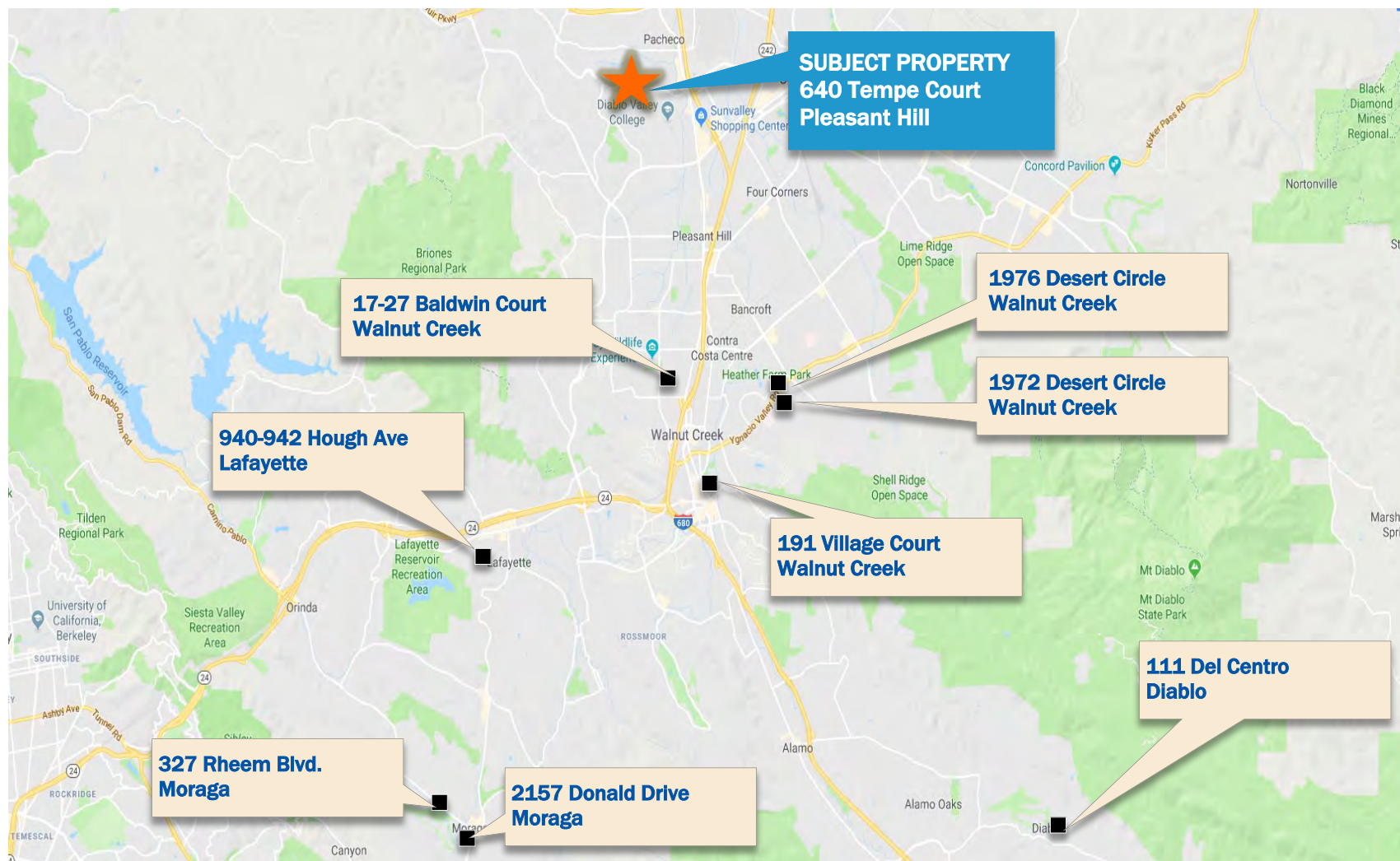


2157 Donald Drive, Moraga

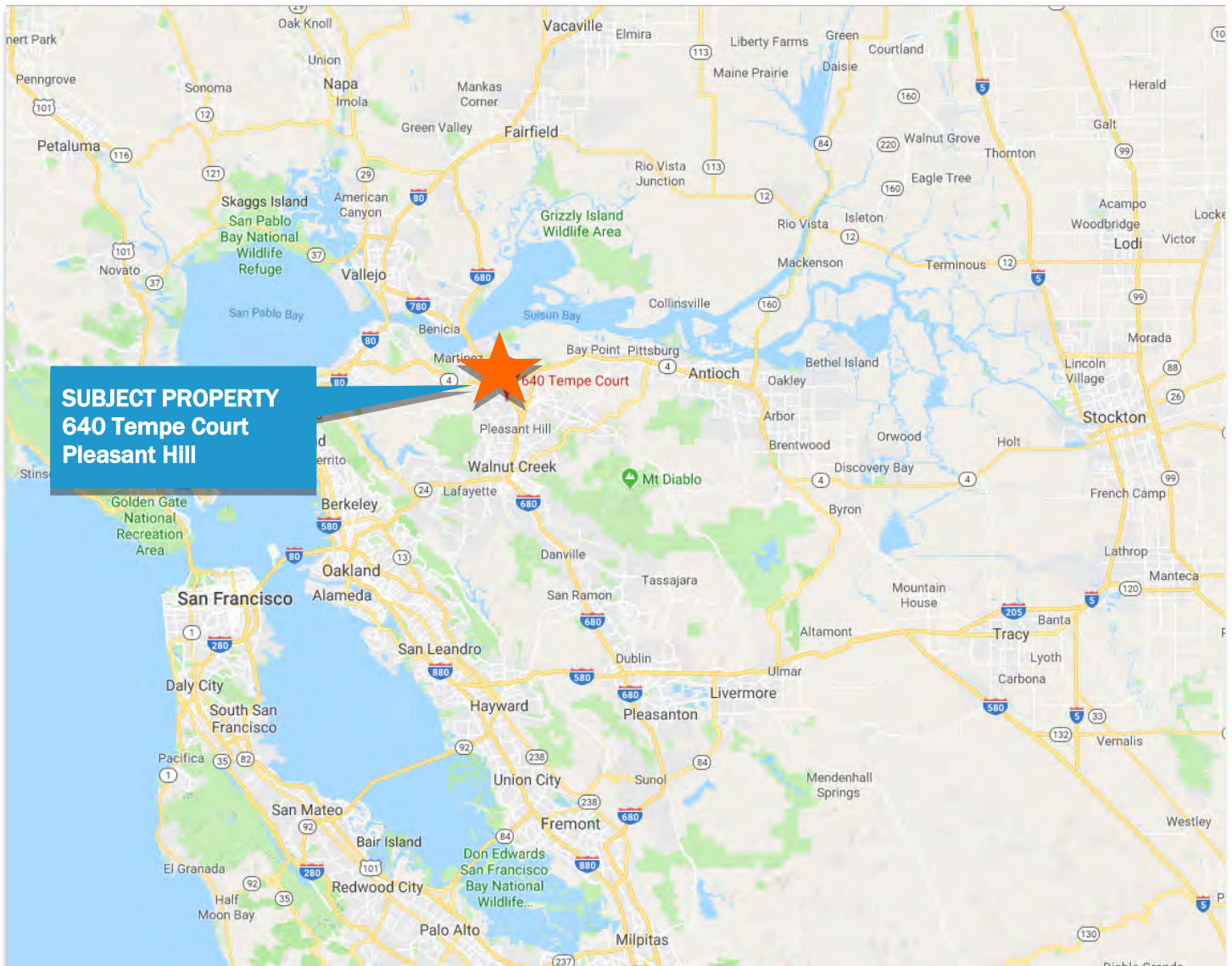


111 Del Centro, Diablo

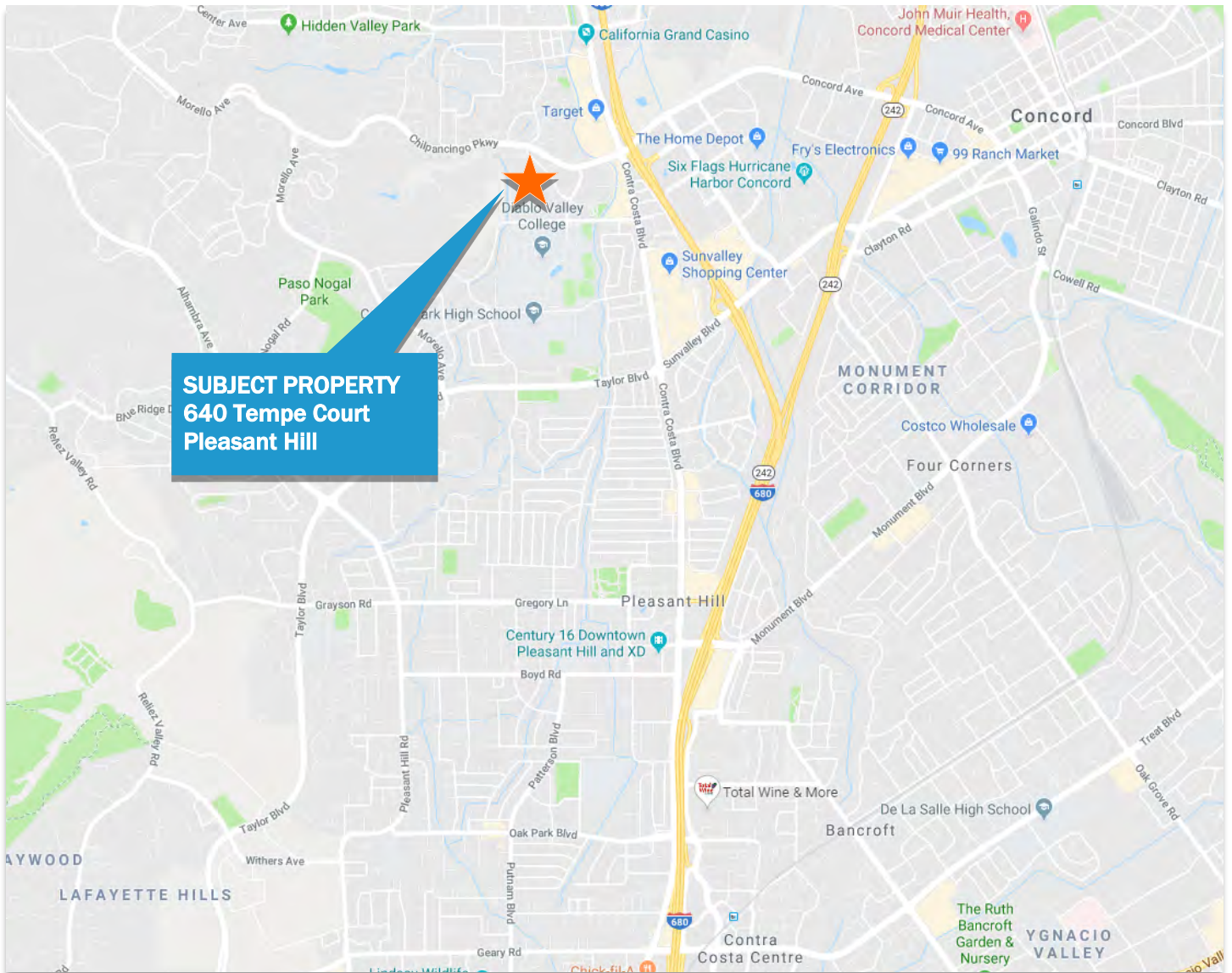
SALES COMPARABLES MAP



REGIONAL MAP



CITY MAP



NEIGHBORHOOD MAP



PARCEL MAP

